



December 12, 2011

VIA ELECTRONIC FILING

Ms. Jocelyn Boyd
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Dear Ms. Boyd:

Re: Filing of Quarterly Monitoring Report by Piedmont Natural Gas Company, Inc.
Pursuant to S.C. Code §58-5-430
Docket No. 2011-7-G

Pursuant to Section 58-5-430 of the South Carolina Natural Gas Rate Stabilization Act, enclosed is the quarterly monitoring report for the twelve-month period ending September 30, 2011, for Piedmont Natural Gas Company, Inc.

If you have any questions about this filing, you may reach me at 704-731-4560 or Robert Thornton at 704-731-4148.

Sincerely,

s/ Jenny Furr
Jenny Furr
Manager, Regulatory Reporting

Enclosures

c: ORS – Carey Stites (5 copies via overnight delivery)
Scott Elliott
James H. Jeffries IV

CERTIFICATION

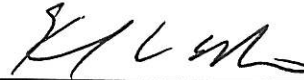
I, Thomas E. Skains and Karl W. Newlin, state and attest, under penalty of perjury, that the attached Quarterly Monitoring Report is filed on behalf of Piedmont Natural Gas Company, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.



Thomas E. Skains
President and CEO

December 12, 2011

Date Signed



Karl W. Newlin
Senior Vice President and CFO

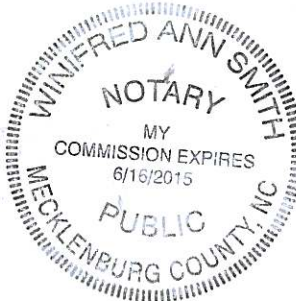
12 / 12 / 2011

Date Signed

Subscribed and Sworn to before me this
12th day of December, 2011.


Notary Public

My Commission Expires 6/16/2015



Net Operating Income and Rate of Return
For The Twelve Months Ended September 30, 2011
South Carolina
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	(1)	(2)	(3)
	<u>Per Filing</u>	<u>Accounting And Pro Forma Adjustments</u>	<u>After Pro Forma Adjustments</u>
Operating Revenues			
Sale of Gas	\$ 153,713,499	\$ (3,618,375)	\$ 150,095,124
Other Operating Revenues	915,593	-	915,593
Total Operating Revenue	\$ 154,629,092	\$ (3,618,375)	\$ 151,010,717
Operating Expenses			
Cost of Gas	\$ 84,027,089	\$ (5,480,796)	\$ 78,546,294
Other Operation & Maintenance	26,357,053	216,732	26,573,784
Depreciation	12,177,032	843,620	13,020,652
General Taxes	6,632,923	(84,994)	6,547,930
State Income Taxes	1,330,469	(245,603)	1,084,866
Federal Income Taxes	6,308,234	883,324	7,191,558
Amort. of ITC	(32,504)	-	(32,504)
Total Operating Expenses	\$ 136,800,297	\$ (3,867,717)	\$ 132,932,580
Net Operating Income	\$ 17,828,795	\$ 249,342	\$ 18,078,137
Interest on Customer Deposits	(147,861)	-	(147,861)
Amortization of Debt Redemption Premium	-	-	-
AFDUC (Allowance for Funds Use Const)	157,206	-	157,206
Customer Growth	78,304	1,095	79,399
Net Operating Income For Return	\$ 17,916,444	\$ 250,437	\$ 18,166,881
Original Cost Rate Base			
Plant in Service	\$ 399,988,683	\$ -	\$ 399,988,683
Accumulated Depreciation	(173,759,559)	-	(173,759,559)
Net Plant in Service	\$ 226,229,124	\$ -	\$ 226,229,124
Add:			
Construction Work in Progress	5,239,609	-	5,239,609
Materials and Supplies	15,096,749	-	15,096,749
Cash Working Capital	940,164	(3,890)	936,274
Deduct:			
Customer Advances for Construction	-	-	-
Customer Deposits	3,898,506	-	3,898,506
Accumulated Deferred Income Taxes	55,785,325	-	55,785,325
Unclaimed Funds	105,924	-	105,924
Total Original Cost Rate Base	\$ 187,715,891	\$ (3,890)	\$ 187,712,001
Return on rate base	9.54%		9.68%

Net Operating Income and Rate of Return
For The Twelve Months Ended September 30, 2011
South Carolina
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	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	After Accounting and Proforma Adjustments							
	Per Books Capitalization	Accounting and Pro Forma Adjustments	Settlement Capitalization	Ratio %	Cost Net Investment	Embedded Cost %	Overall Cost Rate %	Net Operating Income
1. Long-Term Debt	\$ 665,283,066	\$ -	\$ 665,283,066	40.14%	\$ 75,350,976	6.1500%	2.47%	\$ 4,634,085
2. Common Equity	992,049,366	-	992,049,366	59.86%	112,361,026	12.0400%	7.21%	13,532,796
3. Total	\$ 1,657,332,432	\$ -	\$ 1,657,332,432	100.00%	\$ 187,712,002		9.68%	\$ 18,166,881